



## CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

March 15, 2000

### **H.R. 150** **National Forest Education and Community Purpose Lands Act**

*As reported by the Senate Committee on Energy and Natural Resources  
on March 9, 2000*

CBO estimates that enacting H.R. 150 would have no significant impact on the federal budget. Because the legislation would affect offsetting receipts (a form of direct spending), pay-as-you-go procedures would apply; however, CBO estimates that any such effects would total less than \$500,000 each year. H.R. 150 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments. H.R. 150 would benefit some local governments by giving them the opportunity to acquire National Forest land for public schools at a nominal cost.

H.R. 150 would authorize the U.S. Department of Agriculture (USDA) to lease or convey land in the National Forest System (NFS) to state and local governments for educational, recreational, and other public purpose uses. State and local governments would pay USDA a nominal amount for use of the land, with the federal government retaining any mineral rights. Under the legislation, USDA could transfer only parcels of land where the value to the state or local government of the proposed use exceeds that of continued federal ownership. If used for any unauthorized purpose, the land would revert to the federal government. The legislation generally would require USDA to notify an applicant within 120 days of receiving an application as to whether the land will be leased or conveyed, or provide a written explanation as to why such a determination has not been made.

CBO estimates that enacting H.R. 150 could result in forgone offsetting receipts if USDA would have sold one or more of the leased or transferred parcels at fair market value under current law. CBO estimates that any such loss of receipts from land sales would total less than \$500,000 each year. Even though we expect state and local governments would desire the opportunity to lease or acquire valuable NFS land at substantially discounted rates, such land is rarely sold under current law. As a result, we estimate that enacting the bill would not result in any significant loss of federal receipts. Additionally, CBO estimates that any increase in receipts from leasing or transferring NFS land under H.R. 150 would also total less than \$500,000 a year.

On May 5, 1999, CBO prepared a cost estimate for H.R. 150, a bill to authorize the Secretary of Agriculture to convey Natural Forest System lands for educational purposes, and for other purposes, as ordered reported by the House Committee on Resources on April 28, 1999. These two versions of the legislation are similar and the estimated costs are the same.

The CBO staff contact is John R. Righter. This estimate was approved by Peter H. Fontaine, Deputy Assistant Director for Budget Analysis.